

# **A G E N D A**

## **UTAH BOARD OF WATER RESOURCES**

Department of Natural Resources  
1594 W. North Temple  
Salt Lake City, Utah

October 28, 2005

**1:00 p.m.**

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES - September 30, 2005
- III. CHAIR'S REPORT
- IV. FEASIBILITY REPORTS

	<u>County</u>
E166 Circleville Irr. Co.	Piute
E169 Kingston Irr. Water Co.	Piute
E176 Dry Gulch Irr. Co.	Duchesne
L554 Lindon City	Utah
L555 Corinne City	Box Elder
- V. SPECIAL ITEMS

E100 Newton Water Users Association (Withdrawal)	Cache
E182 Utland Ditch Co. (Feas. Rep. & Comm. of Funds)	Duchesne
- VI. DIRECTOR'S REPORT
- VII. NEXT BOARD MEETING - December 9, 2005 - Salt Lake City
- VIII. ADJOURNMENT

## BRIEFING MEETING AGENDA

### UTAH BOARD OF WATER RESOURCES

Department of Natural Resources  
1594 W. North Temple  
Salt Lake City, Utah

October 28, 2005

9:30 a.m.

- |      |                        |                |
|------|------------------------|----------------|
| I.   | WELCOME/CHAIR'S REPORT | Chairman Flint |
| II.  | DISCUSSION OF PROJECTS | Board/Staff    |
| III. | OTHER ITEMS            |                |

# BOARD OF WATER RESOURCES

## Revolving Construction Fund

### Funding Status

October 28, 2005

Funds Available for Projects This FY \$ 7,300,000

#### Projects Contracted This FY

1 Piute Res & Irr Co (Piute Dam; Amend)	C022	Grant	**	142,500
2 Piute Res & Irr Co (Piute Dam; Amend)	C022	Loan	**	7,500
3 DMAD Co	C031	Grant	**	2,166,000

Total Funds Contracted	\$ 2,316,000
Funds Balance	\$ 4,984,000

#### Projects with Funds Committed

1 Kanab Irr Co	D968		\$ 377,000
2 Kays Creek Irr Co (Adams Dam; Amend)	C001	Grant	** 4,000
3 Bryner-Ploutz Ditch Co	E164		116,000
4 Deseret Irr Co	E179		88,000
5 San Juan WCD (Amend)	C026	Grant	** 780,000
* 6 Utland Ditch Co	E182		270,000
Commitments for Dam Safety Studies		**	136,000

Total Funds Committed	\$ 1,771,000
Funds Balance	\$ 3,213,000

#### Projects Authorized

1 Deseret Irr Co	E056	\$ 312,000
2 Hi-Country Estates Homeowners Assn	E127	406,000
3 M&M Irr Co	E136	531,000
4 Lincoln Culinary Water Corp	E165	276,000
5 Cub River Irr Co	E173	680,000
* 6 Kingston Irr Water Co	E169	85,000
* 7 Circleville Irr Co	E166	115,000
* 8 Dry Gulch Irr Co	E176	221,000

Total Funds Authorized	\$ 2,626,000
Remaining Funds Available	\$ 587,000

\*To be presented at Board Meeting

\*\* Dam Safety Projects

# BOARD OF WATER RESOURCES

## Cities Water Loan Fund

### Funding Status

October 28, 2005

Funds Available for Projects This FY	\$ 4,931,000
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#### Bonds Closed This FY

Total Bonds Closed	\$ -
Funds Balance	\$ 4,931,000

#### Projects with Funds Committed

1 Centerville City	E155	156,000
2 Kamas City	L550	\$ 1,879,000

Total Funds Committed	\$ 2,035,000
Funds Balance	\$ 2,896,000

#### Projects Authorized

	1 Town of Mantua	L553	508,000
*	2 Corinne City	L555	326,000
*	3 Lindon City	L554	256,000

Total Funds Authorized	\$ 1,090,000
Remaining Funds Available	\$ 1,806,000

\*To be presented at Board Meeting

**BOARD OF WATER RESOURCES**

**Conservation & Development Fund**

**Funding Status**

**October 28, 2005**

Funds Available for Projects This FY \$ 18,902,000

**Projects Contracted/Bonds Closed This FY**

1 Leeds Water Co	E132	1,006,000
2 Center Creek Culinary Water Co	E020	877,000

Total Funds Contracted/Closed	<u>\$ 1,883,000</u>
Funds Balance	\$ 17,019,000

**Projects with Funds Committed**

1 Lake Creek Irr Co (Ph 1)	E102	\$ 22,500
2 St George & Washington Canal Co (Ph 1&2)	E129	6,600,000
3 Centerfield Town	L547	255,000
4 Gunnison City (Amend)	E088	490,000

Total Funds Committed	<u>\$ 7,368,000</u>
Funds Balance	\$ 9,651,000

**Projects Authorized**

1 Strawberry High Line Canal Co	D976	\$ 3,187,000
2 Uintah WCD (Island Ditch)	E036	342,000
3 Richland Nonprofit Water Co	E087	335,000
4 Lake Creek Irr Co (Ph 2)	E102	300,000
5 New Escalante Irr Co	E077	300,000
6 St George & Washington Canal Co (Ph 3&4)	E129	4,400,000
7 Ashley Valley Res Co	E145	1,489,000
8 Elwood Town	L549	<u>1,530,000</u>

Total Funds Authorized	<u>\$ 11,883,000</u>
Remaining Funds Available	\$ (2,232,000)

\*To be presented at Board Meeting

# BOARD OF WATER RESOURCES

October 28, 2005

ADDITIONAL ACTIVE PROJECTS		Fund	Est. Board Cost	Total Cost
<b>Projects Under Investigation</b>				
1 Keith Johnson	D996	RCF	\$ 37,500	\$ 50,000
2 Mayfield Irr Co	E067	RCF	187,500	250,000
3 Rock Dam Irr Co	E083	RCF	37,500	50,000
4 Downs Ditch Water Co	E139	RCF	281,250	375,000
5 Co-Op Farm Irr Co	E140	RCF	374,250	499,000
6 Anderson, Felt, Winters Ditch Co	E141	RCF	148,500	198,000
7 Felt, Peterson, Slater Ditch Co	E142	RCF	148,500	198,000
8 Huntsville South Bench Canal Co	E143	RCF	258,750	345,000
9 Emmertsen Irr Co	E144	RCF	86,250	115,000
10 Huntsville Irr Co	E146	RCF	627,000	836,000
11 Vernon Irr Co	E158	RCF	37,500	50,000
12 West Cache Irr Co	E160	RCF	150,000	200,000
13 Loss Creek Irr Co	E167	RCF	111,000	524,000
14 Greenwich Water Works Co	E171	RCF	112,500	250,000
15 Bullion Creek Irr Co	E172	RCF	75,000	100,000
16 Fountain Green Irr Co (Birch Creek)	E174	RCF	30,000	40,000
17 East Panguitch Irr Co	E175	RCF	375,000	500,000
18 Twin Creek Irr Co	E180	RCF	300,000	400,000
19 North Creek Irr Co	E181	RCF	232,500	310,000
20 Parowan South Field, Inc	E183	RCF	255,000	340,000
21 Otter Creek Res Co	E184	RCF	180,000	240,000
* 22 Fountain Green Irr Co (Well)	E185	RCF	112,500	150,000
* 23 Fountain Green Irr Co (Flow Augment)	E186	RCF	75,000	100,000
24 Parowan City	E121	CWL	158,250	211,000
25 Town of Vernon	L551	CWL	189,000	252,000
26 Marysville Town	L552	CWL	131,250	250,000
27 Woodruff Irrigating Co	D680	C&D	600,000	800,000
28 Kane County WCD	D828	C&D	1,500,000	2,000,000
29 Uintah WCD (Leota Bench)	D944	C&D	750,000	1,000,000
30 Gunnison Butte Mutual Irr Co	E004	C&D	10,500,000	14,000,000
31 Hyrum Blacksmith Fork Irr Co	E047	C&D	1,230,000	1,640,000
32 East Juab County WCD	E071	C&D	375,000	500,000
33 Ferron Canal & Res Co	E082	C&D	2,625,000	3,500,000
34 Whiterocks Irr Co	E084	C&D	1,500,000	2,000,000
35 Logan, Hyde Park, Smithfield Canal Co	E096	C&D	1,301,250	1,735,000
36 Town of Goshen	E109	C&D	240,000	320,000
37 Weber-Box Elder Conservation Dist	E113	C&D	9,750,000	13,000,000
38 Cottonwood Creek Consolidated Irr Co	E125	C&D	3,750,000	5,000,000
39 Alton Farmers Assoc	E128	C&D	1,650,000	2,200,000
40 Huntington-Cleveland Irr Co	E130	C&D	21,299,000	66,090,000
41 Fremont Irr Co	E131	C&D	1,500,000	2,000,000
42 Grantsville Irr Co	E150	C&D	321,000	428,000
43 Dixie Deer SSD	E170	C&D	187,500	250,000
44 Provo Water Users Association	E177	C&D	86,250,000	115,000,000
Subtotal			\$ 150,040,250	\$ 238,296,000

\*To be presented at Board Meeting

## BOARD OF WATER RESOURCES

October 28, 2005

### Authorized or Committed Projects

1 Davis & Weber Counties Cnl Co (Ph 4)	D674	C&D	\$ 10,379,000	\$ 12,211,000
2 Weber Basin WCD (Secondary Irr, Ph 3-5)	E029	C&D	27,721,000	32,613,000
3 Davis & Weber Counties Cnl Co(Cnl Rehab)	E035	C&D	15,497,000	18,232,000
4 Hooper Irr Co (Press Irr, Ph 2-4)	E060	C&D	11,772,000	13,850,000
5 City of Cedar Hills	E099	C&D	<u>31,200</u>	<u>31,200</u>

Subtotal			<u>\$ 65,400,200</u>	<u>\$ 76,937,200</u>
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TOTAL			\$ 215,440,450	\$ 315,233,200
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### INACTIVE PROJECTS

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#### Long Term Large Water Conservation Projects

1 Sanpete WCD (Narrows Dam)	D377
2 Wayne County WCD	D494
3 Cedar City Valley Water Users	D584
4 Bear River WCD	D738
5 Upper Sevier River WCD	E098
6 Central Utah WCD (Prepay FY98,99,00)	D960

BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-166**  
Received: 2/23/05  
Approved: 3/10/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: **CIRCLEVILLE IRRIGATION COMPANY**

President: Chris Fullmer

LOCATION: The proposed project is located in and around  
Circleville in Piute County.

EXISTING CONDITIONS & PROBLEMS: The sponsor provides flood irrigation water to approximately 5,800 acres of farmland and 200 acres of residences in and around Circleville. Water is diverted from the South Fork of the Sevier River in three places and is transported and distributed through unlined canals and ditches.

Radial gates in two of the diversion structures were installed in the 1940s and are in need of replacement. Turnouts along three of the major canals (West, Kingston, and Dalton) are a mismatch of various types, leak, and are hard to operate.

Circleville residents are concerned about safety issues of a ditch that runs through town. The sponsor has difficulty maintaining it as it runs through residential lots.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to improve its irrigation system by replacing the radial gates at two of its river diversions, replacing turnouts along the West, Kingston, and Dalton canals, and piping a section of ditch in town.

The sponsor has not yet selected an engineer for the pipeline portion of the project, will work with the radial gate supplier on that portion, and requests staff provide assistance with the canal turnouts.

COST ESTIMATE: The following cost estimate was prepared by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u> <u>Price</u>	<u>Amount</u>
1.	Mobilization	LS	\$5,000	\$5,000
2.	Radial Gate			
	a. 12'x 6'	1 EA	55,000	55,000
	b. 8'x 6'	2 EA	40,000	80,000
3.	Canal Turnout			
	a. 30-inch	20 EA	3,000	60,000
	b. 24-inch	60 EA	2,700	162,000
	c. 18-inch	20 EA	2,500	50,000
4.	Ditch Structures	LS	18,000	18,000
5.	24-inch Pipe	1,840 LF	28.00	51,520
6.	Ditch Turnout	9 EA	2,500	22,500
7.	Fittings & Valves	LS	5,000	<u>5,000</u>
Construction Cost				\$509,020
Contingencies				50,980
Legal and Administrative				6,000
Design and Construction Engineering				<u>45,000</u>
TOTAL				\$611,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$115,000	19%
Upper Sevier River WCD	458,000	75
Sponsor	<u>38,000</u>	<u>6</u>
TOTAL	\$611,000	100%

Upper Sevier River Water Conservancy District will receive its funds (grant) from Central Utah Water Conservancy District through Section 206.

If the board authorizes the project, it is suggested it be purchased with annual payments of \$8,000 at 0% interest over approximately 15 years.

FINANCIAL FEASIBILITY:	The sponsor estimates that although the project will save about \$2,000 annually in operation and maintenance costs, shareholders should be able to pay the board up to \$8,000 annually. The proposed annual payment is equivalent to \$0.53 per share; shareholders have been assessed \$1.50 per share the past few years.
BENEFITS:	Replacing radial gates and canal turnouts will improve operation of the sponsor's irrigation system. Piping some of the in-town ditch will lessen safety concerns and maintenance problems.
PROJECT SPONSOR:	<p>Circleville Irrigation Company was incorporated in 1947 and is presently registered in good standing with the state Department of Commerce. The company's 15,000 shares of stock are held by 110 shareholders.</p> <p>In the early 1950s the Circleville and Loss Creek Irrigation Companies co-sponsored a diversion dam and canal lining project. The board provided about \$32,000 which has been paid off.</p>
WATER RIGHTS & SUPPLY:	The sponsor's 21.37-65.76 cfs right (61-2000, 2001, 2002, 2003) on the South Fork of the Sevier River is described on page 8 of the Cox Decree.
EASEMENTS:	The project involves replacing existing facilities, so new easements are not needed.
ENVIRONMENTAL:	The project is not expected to cause any permanent, detrimental impact to the environment.
WATER CONSERVATION:	Ditch piping in town will save an unquantified amount of water.
SPONSOR'S RESPONSIBILITIES:	<p>If the board authorizes the proposed project, the sponsor must do the following before construction can begin:</p> <ol style="list-style-type: none"> <li>1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.</li> </ol>

2. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:

a. Assign properties, easements, and water rights required for the project to the Board of Water Resources.

b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.

3. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.

c. The company has obtained all permits required for the project.

4. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.

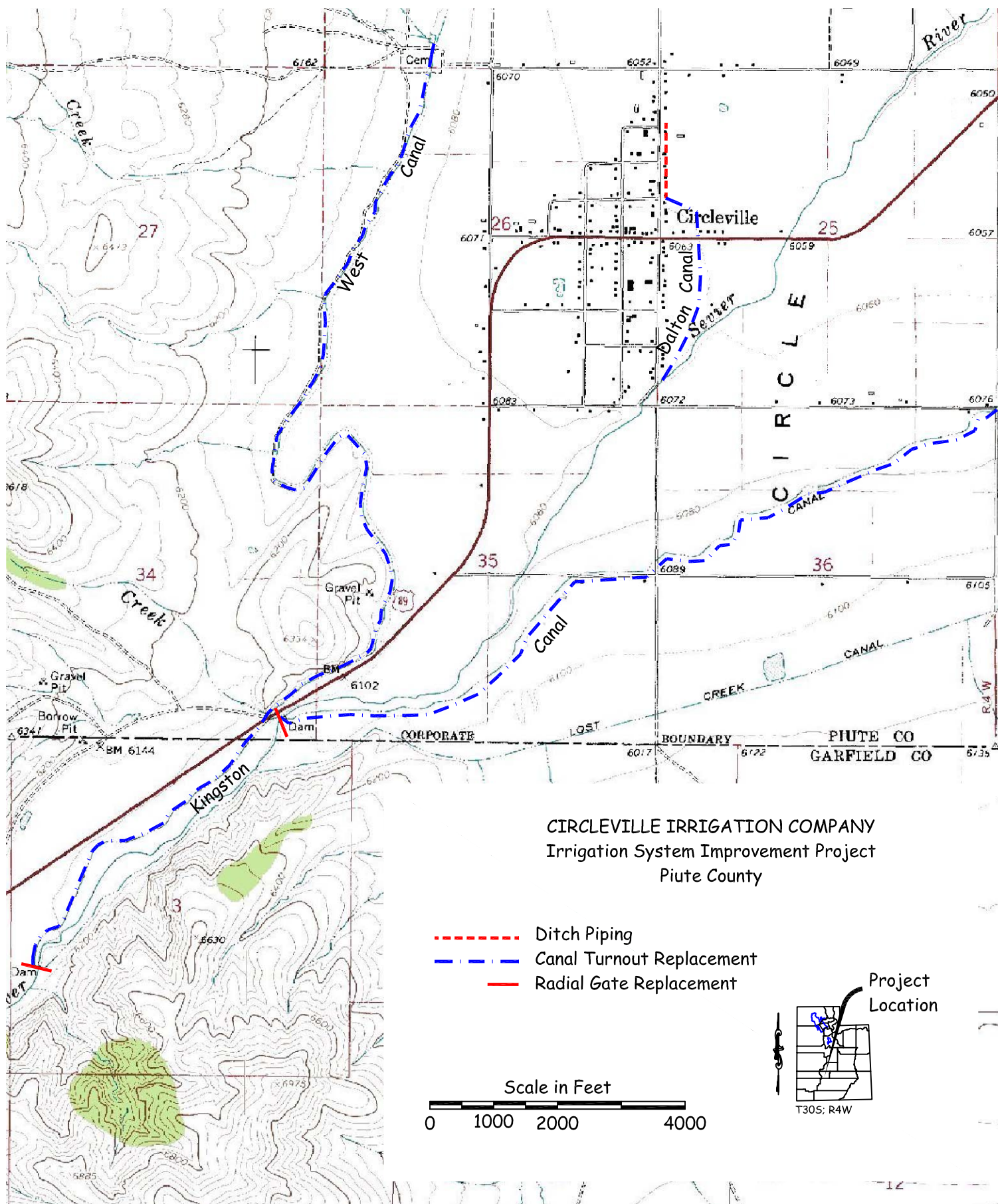
b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

5. Obtain approval of final plans and specifications from the Division of Water Resources.

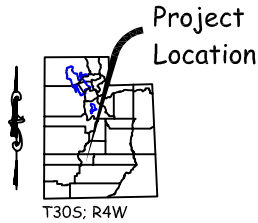
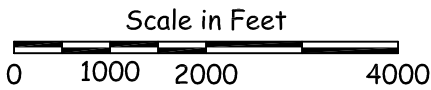
6. Prepare a water management and conservation plan for its service area, and obtain approval of it from the Division of Water Resources.

PROJECT	President:	Chris Fullmer
CONTACT		210 West 200 South
PEOPLE:		Circleville, UT 84723
		Phone: (435) 577-2585



CIRCLEVILLE IRRIGATION COMPANY  
Irrigation System Improvement Project  
Piute County

- - - - - Ditch Piping
- - - - - Canal Turnout Replacement
- - - - - Radial Gate Replacement



BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-169**  
Received: 3/9/05  
Approved: 4/29/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: ***KINGSTON IRRIGATION WATER COMPANY***

President: Nuel Anderson

LOCATION: The proposed project is located about ¼ mile east of Kingston Town in southern Piute County.

EXISTING CONDITIONS & PROBLEMS: The sponsor delivers agricultural irrigation water from five diversions on the East Fork of the Sevier River to about 1,100 flood-irrigated acres in and around Kingston. Irrigation practices have not changed much since the company was organized over 130 years ago, with water diverted into canals by placing logs and straw bales in the river channel.

In most years the channel at the sponsor's main diversion must be re-armored with large rocks. In addition, the main diversion must be maintained through the year with placement of additional logs and straw bales, which poses a risk of injury to personnel maintaining the diversion and costs about \$4,000 annually.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to replace its existing main diversion dam of logs and bales with a concrete structure. It has not yet selected an engineer to complete the design and manage project construction.

The project fits in Prioritization Category 3 (agricultural project that will provide significant economic benefit to area).

COST ESTIMATE: The following cost estimate was prepared by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Mobilization	LS	\$5,000	\$ 5,000
2.	Removal of Water	LS	5,000	5,000
3.	Excavation	LS	5,000	5,000
4.	Earth & Rock Dike	LS	7,000	7,000
5.	Rock Riprap	LS	10,000	10,000
6.	Meter Station	LS	15,000	15,000
7.	Metal Fabrication	LS	7,000	7,000
8.	Canal Gates	LS	10,000	10,000
9.	Reinforced Concrete	180 CY	500	90,000
10.	Radial Gate Structure	LS	40,000	<u>40,000</u>
Construction Cost				\$194,000
Contingencies				20,000
Legal and Administrative				5,000
Design and Construction Engineering				<u>21,000</u>
TOTAL				\$240,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 85,000	35%
Upper Sevier River WCD	146,000	61
Sponsor	<u>9,000</u>	<u>4</u>
TOTAL	\$240,000	100%

Upper Sevier River Water Conservancy District will receive its funds (grant) from Central Utah Water Conservancy District through Section 206.

If the board authorizes the project, it is suggested it be purchased with annual payments of \$4,000 at 0% interest over approximately 21 years.

FINANCIAL  
FEASIBILITY:

The annual cost per acre of about \$6.30 to return board assistance (the cost will be apportioned over about 630 acres) is in line with other projects developing no water.

BENEFITS: The project will eliminate \$4,000 in annual construction, operation, and maintenance costs of the main diversion structure, and reduce the risk of injury to company personnel.

PROJECT SPONSOR: The Kingston Irrigation Water Company has been in operation since 1872, was incorporated with the state Department of Commerce in 1976, and is presently registered in good standing with that agency. The company's 1,146 shares of stock are held by 65 shareholders irrigating 1,100 acres; last year's share assessment was \$8.10.

The company has not received assistance from the board in the past.

WATER RIGHTS & SUPPLY: The sponsor's 21.08 cfs right (61-2253; 61-968, a10547) on the East Fork of the Sevier River is described on pages 30-31 of the Cox Decree.

EASEMENTS: No easement or right-of-way acquisition problems are expected.

ENVIRONMENTAL: The project is not expected to cause any permanent, detrimental impact to the environment.

WATER CONSERVATION: The project will not conserve any water.

SPONSOR'S RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Obtain a stream alteration permit from the State Engineer's office.
2. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
3. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:

- a. Assign properties, easements, and water rights required for the project to the Board of Water Resources.
  - b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- 4. Have an attorney give the Board of Water Resources a written legal opinion that:
  - a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.
  - b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.
  - c. The company has obtained all permits required for the project.
- 5. Have an attorney give the Board of Water Resources a written legal opinion that:
  - a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.
  - b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

- 6. Obtain approval of final plans and specifications from the Division of Water Resources.

7. Prepare a water management and conservation plan for its service area, and obtain approval of it from the Division of Water Resources.

8. Obtain an IRS Employer Identification Number.

PROJECT  
CONTACT  
PEOPLE:

President: Nuel Anderson  
99 North 400 West  
Kingston, UT 84743  
Phone: (435) 577-2897

Secretary: Carlos Jessen  
111 South 100 West  
Kingston, UT 84743  
Phone: (435) 577-2967



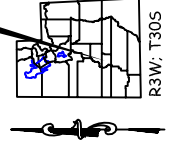
▲ Replace Main Diversion Structure

▲ Existing Diversion Structure



KINGSTON IRRIGATION WATER COMPANY  
Diversion Structure Project  
Piute County

Project  
Location



BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-176**  
Received: 8/4/05  
Approved: 9/30/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: ***DRY GULCH IRRIGATION COMPANY***

President: Kelly D. Bird

LOCATION: The proposed project is located in the High Uintas Wilderness Area of Ashley National Forest, about 36 miles north of Roosevelt in Duchesne County.

EXISTING CONDITIONS & PROBLEMS: The sponsor diverts water from the Lake Fork River and the Uinta River to irrigate approximately 39,000 acres in Duchesne and Uintah Counties. Its stock is divided into seven classes with shareholders in each class organized by ditches. Each class covers a subarea of the company. "E" Class supplies water to 5,370 acres and "F" Class supplies to 6,074 acres.

The Class E and F stockholders receive part of their water from the 1,126 acre-foot Fox Lake and the 184 acre-foot Crescent Lake, which are in the High Uintas Wilderness Area. Approximately 730 acres of E stock land and 3,425 acres of F stock land are served by the two reservoirs.

The outlet works of both Fox and Crescent Lake Dams are in need of repairs and upgrades, as are the dikes, spillway, and wet well of Fox Lake Dam.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to repair and upgrade both Fox and Crescent Lake Dams. Because of their location in a wilderness area, equipment and materials will need to be flown in by helicopter or packed in on horses. Design and construction engineering services will be provided by CH2M Hill.

The project fits in Prioritization Category 3  
(agricultural project that will provide significant  
economic benefit to area).

COST ESTIMATE: The following cost estimate was prepared by the  
engineer and has been reviewed by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u> <u>Price</u>	<u>Amount</u>
1.	Mobilization/ Demobilization	LS	\$10,000	\$ 10,000
2.	Dewatering	LS	5,000	5,000
3.	Equipment Rental	LS	20,000	20,000
4.	Helicopter			
	a. Equip. & Materials	LS	8,000	8,000
	Transport to/from			
	b. Machine Time	19 HR	3,500	66,500
5.	Pack Horse Train	12 EA	1,000	12,000
6.	Concrete Box	2 EA	8,000	16,000
7.	32-inch HDPE Pipe	93 LF	90.00	8,370
8.	30"x42" Sluice Gate	LS	19,000	19,000
9.	Outlet Pipe Grouting	93 LF	180.00	16,740
Construction Cost				\$201,410
Contingencies				20,590
Legal and Administrative				11,000
Design and Construction Engineering				27,000
TOTAL				\$260,000

COST SHARING & REPAYMENT: The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$221,000	85%
Sponsor	39,000	15
TOTAL	\$260,000	100%

If the board authorizes the project, it is suggested  
it be purchased with annual payments of \$15,000 at 0%  
interest over approximately 15 years.

Because both Fox and Crescent Lake Dams are rated  
"Moderate Hazard" by the State Engineer's office,  
they are not eligible for board dam safety funds.

FINANCIAL  
FEASIBILITY:

Benefits from installing the project are economically unquantifiable since they relate to repairing and upgrading the dams to assure their continued safe operation. The sponsor feels the suggested annual payment to the board of \$15,000, which is equivalent to about \$3.60 per acre, will be affordable to the shareholders farming the 4,155 acres receiving water from the two reservoirs.

The sponsor currently assesses \$12.50/share for E stock and \$11 for F stock. One share is needed per acre.

PROJECT  
SPONSOR:

The Dry Gulch Irrigation Company was incorporated in 1905 and is currently registered in good standing with the state Department of Commerce. The company serves water to approximately 39,000 acres from the Lake Fork and Uinta River systems and is the parent company to seven classes. Classes A through D irrigate 24,500 acres from the Lake Fork River and Classes E, F, and K2 irrigate 14,450 acres from the Uinta River. One share represents one irrigated acre in the company. Each class operates independently, but its actions are reviewed and must be approved by the Dry Gulch Board of Directors. A director for each class is elected at the class annual meeting and the directors constitute the Board of Directors.

The board funded canal and dam repair projects for the company in 1951 and 1952, which it has completed purchasing. It assisted the company in 1989 with an irrigation pipeline project that benefits the Class E stock, which has also been purchased. The board also provided funding in 1994 to a group of Class C stockholders, the Cobble Hollow Group, to convert a 1,000 acre ditch irrigation system to a pressurized pipe system; a final, \$12,900 payment on that project is due this December. In 1997 the board funded a project to convert the Martin-Sheehan lateral (Class D) to a pressurized sprinkle system; that assistance is being returned at \$15,200 annually through 2011. Class D benefits directly from construction of Sand Wash Reservoir, which was funded by the board but sponsored by Moon Lake Water Users Association. Lastly, in 2000 the board assisted a group of Class D stockholders flood irrigating 545 acres between the North and South Myton Benches southwest of Roosevelt in converting the acres to pressurized irrigation; that assistance is being returned at \$7,000 annually through 2009, and about \$2,700 in 2010.

WATER RIGHTS  
& SUPPLY:

The sponsor holds numerous water rights and has a complicated irrigation water delivery system due to the superior Indian water rights on both the Lake Fork and Uinta Rivers and the need to exchange and intermingle water from various projects, including the Central Utah Water Project. The sponsor owns direct flow rights from the Uinta and Lake Fork rivers and storage rights in Moon Lake Reservoir, Montez Creek Reservoir, and high lakes in the Uinta Mountains. The board currently holds title to the Montez Creek Reservoir right, two water rights associated with Class C and the 1994 project, plus rights associated with Class D and the 1997 and 2000 projects.

The E, F, and K2 stock entitles users to water from the Uinta River. The water is stored in Fox Lake, Crescent Lake, Atwood Lake, and Upper and Lower Chain Lakes.

Water rights pertaining to the proposed project, and which will be transferred to the board, are 43-3175, 43-3176, and 43-3824 for 1,150 acre-feet from Fox Lake and 216 acre-feet from Crescent Lake.

EASEMENTS:

The sponsor will work with the U.S. Forest Service in obtaining a special use permit.

ENVIRONMENTAL:

Environmental impacts will be minimal since the work will be on existing structures. The Forest Service's special use permit will specify environmental protection requirements.

WATER  
CONSERVATION:

The proposed project will develop no water.

The sponsor has converted much of its land to efficient, pressurized irrigation.

SPONSOR'S  
RESPONSIBILITIES:

If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.

2. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:
  - a. Assign properties, easements, and water rights required for the project to the Board of Water Resources.
  - b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
3. Have an attorney give the Board of Water Resources a written legal opinion that:
  - a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.
  - b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.
  - c. The company has obtained all permits required for the project.
4. Have an attorney give the Board of Water Resources a written legal opinion that:
  - a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.
  - b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

5. Obtain approval of final plans and specifications from the Division of Water Resources, Division of Water Rights, and U.S. Forest Service.

PROJECT CONTACT PEOPLE:	President:	Kelly D. Bird Box 604 Bluebell, UT 84007 Phone: (435) 822-7110
	Vice President:	Don W. Winterton Route 3 Box 3990 Roosevelt, UT 84066 Phone: (435) 823-5725
	Class E Director:	Norm Angus 2095 East 2000 North Bennett, UT 84001 Phone: (435) 722-8366
	Class F Member:	Kim Bastian 5000 North 3000 West Cedarview, UT 84066 Phone: (435) 353-4334
	Engineer:	Bob Pruitt CH2M Hill 402 W. Broadway, Suite 1450 San Diego, CA 92101 Phone: (619) 687-0110
	Duchesne County Water Conservancy District:	Randy Crozier 855 East 200 North (112-10) Roosevelt, UT 84066 Phone: (435) 722-4977

BOARD OF WATER RESOURCES

Feasibility Report

Cities Water Loan Fund

Appl. No.: **L-554**  
Received: 8/1/05  
Approved: 8/12/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: **LINDON CITY**

Mayor: Jeff Acerson

LOCATION: The proposed project is located in Lindon, between Orem and Pleasant Grove in Utah County.

EXISTING CONDITIONS & PROBLEMS: Lindon currently supplies culinary water from springs and wells, through a system rated "Approved" by the Division of Drinking Water, to 2,240 connections. It also distributes irrigation water to a large percentage of the culinary connections, most of it pressurized.

Much of the culinary system was constructed in the 1940s and 50s with steel pipe that has corroded, leaks, and is too small to provide adequate service to areas of the rapidly growing city.

PROPOSED PROJECT: Lindon is requesting financial assistance from the board to improve its culinary water system by replacing about a half-mile of 10-inch steel pipeline with 12-inch ductile iron, and installing four fire hydrants. Technical assistance is being provided by J-U-B Engineers in Orem.

The project fits in Prioritization Category 2 (municipal project required to meet existing or impending need). Being a 21<sup>st</sup> Century Community, Lindon is ranked as a top funding priority.

COST ESTIMATE: The following is the engineer's cost estimate with revisions by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Existing Pipe & Fittings Removal	LS	\$18,000	\$ 18,000
2.	Ductile Iron Pipe, C-900			
	a. 12-inch	2,700 LF	40.00	\$108,000
	b. 10-inch	50 LF	30.00	1,500
	c. 6-inch	160 LF	25.00	4,000
3.	Pipe Embedment	1,250 TN	8.00	10,000
4.	Existing Pipe Connection	5 EA	2,100	10,500
5.	Service Connection	30 EA	500	15,000
6.	Fire Hydrant	4 EA	4,000	16,000
7.	Road Base	750 TN	12.00	9,000
8.	Asphalt Repair	13,500 SF	2.00	27,000
Construction Cost				\$219,000
Contingencies				22,000
Legal and Administrative				5,000
Design and Construction Engineering				24,000
TOTAL				\$270,000

COST SHARING & REPAYMENT: The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$256,000	95%
Sponsor	14,000	5
TOTAL	\$270,000	100%

If the board authorizes the project, it is suggested the bonded indebtedness of \$256,000 be repaid in 10 years at 5% interest with approximate annual payments as follows (includes reserves):

<u>Years</u>	<u>Payment</u>
1-6	\$38,700
7-10	33,200

FINANCIAL FEASIBILITY: Based on the board's water service affordability guidelines, Lindon residents could pay up to \$48.06 monthly for all water; they presently pay an average

of \$43.53. The cost of water with the proposed project, based on the 1,120 connections that will benefit, is as follows:

	<u>Annual Cost</u>	<u>Cost/Conn/Mo</u>
Culinary Water	\$410,050	\$30.51
Secondary Irr. Water	173,780	12.93
New Culinary O&M	2,700	0.20
Proposed BWRc Loan	<u>38,700</u>	<u>2.88</u>
TOTAL	\$625,230	\$46.52

The city's culinary water rates vary with meter size (1"-6") and pressure zone (low, middle, upper) as follows:

<u>ZONE</u>		<u>1"</u>	<u>1½"</u>	<u>2"</u>	<u>3"</u>	<u>4"</u>	<u>6"</u>
Lower	Service Charge/mo.	\$12.50	\$22.50	\$36.25	\$137.50	\$250.00	\$463.75
	\$/1,000 gal.	1.02	1.02	1.02	1.02	1.02	1.02
Middle	Service Charge/mo.	15.77	23.39	45.73	173.47	315.40	585.87
	\$/1,000 gal.	1.08	1.08	1.08	1.08	1.08	1.08
Upper	Service Charge/mo.	22.00	39.60	63.80	242.00	440.00	816.20
	\$/1,000 gal.	1.15	1.15	1.15	1.15	1.15	1.15

The city's secondary irrigation water rates vary with lot size and range from \$8.00 monthly for lots under 11,000 square feet, to \$50.00 monthly for lots over two acres; an additional \$12 is charged for each additional acre over two. Residents pay an average of about \$13 monthly for secondary water.

**BENEFITS:** The project, which will benefit about half the city's current connections, will increase culinary system capacity along 400 North, bring that street up to fire code, and replace worn-out steel pipeline.

**PROJECT SPONSOR:** Lindon City was incorporated in 1924 and has experienced an average annual growth of 5.8% in culinary water connections since 1994. The Utah Valley Economic Development Association projects the city's population, presently about 9,600, will increase an average of 1.5% annually through 2030.

Lindon has received financial assistance from the board on four previous occasions. It received \$100,000 in 1980 for a culinary water system improvement project; that 0% interest loan is paid off. The city received \$3.385 million in 1992-93 for its pressurized secondary irrigation project; that 5% composite interest rate loan is being repaid with increasing annual payments through 2028. It received \$1.404 million in the mid-1990s for a culinary water tank and pipeline project; that 2.5% interest loan is being repaid with increasing annual payments through 2011. Finally, the city received about \$69,000 in dam safety grant funds in 2000 to upgrade a debris basin dam.

WATER RIGHTS  
& SUPPLY:

The city's municipal water rights are:

<u>Source</u>	<u>WRNUM</u>	<u>Quantity (A-F)</u>
Dry Canyon Springs	55-6908	970.116
Well	55-416	799.260
Well	55-742	516.188
Well	55-4478	3,337.488
Well	55-4107	4,833.927
Well	55-2298	1,612.998
Well	55-2527	542.975
Well	55-1670	135.970
Well	55-1039	30.800
Well	55-1040	77.720
Well	55-2613	8.170
	Total	12,865.612

EASEMENTS:

The city has all easements required for the project.

ENVIRONMENTAL:

Since the project will be installed in an existing street; no harmful environmental impact is expected.

WATER  
CONSERVATION:

The secondary irrigation system reduces the amount of culinary water used. The city promotes water conservation through pamphlets, mailers, newsletters, and by working with the Rural Water Association of Utah in keeping informed of conservation practices and methods. The city submitted an updated Water Management and Conservation Plan last December and implemented all its recommendations.

As a condition of project funding, the city will be required to adopt an ordinance prohibiting pressurized irrigation of landscapes between the hours of 10:00 a.m. and 6:00 p.m. Staff also recommends it investigate implementing a progressive culinary overage rate schedule.

SPONSOR'S RESPONSIBILITIES: The city will be required to make all arrangements to sell the board a non-voted revenue bond as well as verify it has adequate water rights and rights-of-way to construct the project. If the project is authorized, a list of requirements and procedures necessary to close the loan will be furnished to the city.

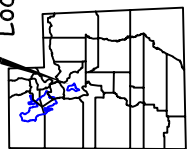
PROJECT CONTACT PEOPLE:	Mayor:	Jeff Acerson 100 North State Street Lindon, UT 84042 Phone: (801) 785-5043
	City Administrator:	Ott H. Dameron 100 North State Street Lindon, UT 84042 Phone: (801) 785-5043
	Engineer:	J-U-B Engineers 240 West Center, #200 Orem, UT 84057 Phone: (801) 226-0393



12" DI Pipeline  
Fire Hydrant



Project  
Location



T5S; R2E

LINDON CITY  
Culinary Water Project  
Utah County

BOARD OF WATER RESOURCES

Feasibility Report

Cities Water Loan Fund

Appl. No.: **L-555**  
Received: 8/11/05  
Approved: 9/30/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: **CORINNE CITY**

Mayor: DeVerle Wells

LOCATION: The proposed project is located on the western edge of Corinne, about six miles northwest of Brigham City in Box Elder County.

EXISTING CONDITIONS & PROBLEMS: Corinne currently supplies culinary water, through a system rated "Approved" by the Division of Drinking Water, to 245 connections. It also distributes ditch irrigation water to about 75% of the culinary connections.

Culinary water is supplied by springs five miles northeast of town, a well in the city limits, and an interconnect with Brigham City's system; storage consists of a 250,000 gallon tank. Corinne's water supply and storage are adequate for current needs. Irrigation water is provided through contracts with Bear River Canal Company.

Two areas west and northwest of the city have old, 2-inch steel distribution pipeline with lead joints. There are currently 25 homes in these areas, and several landowners may someday develop their properties for additional residences.

PROPOSED PROJECT: The city is requesting financial assistance from the board to improve its culinary water system by replacing about 2.8 miles of 2-inch steel distribution pipeline with 6 and 8-inch PVC, and

installing 16 fire hydrants. Technical assistance is being provided by Hansen & Associates in Brigham City.

The project fits in Prioritization Category 2 (municipal project required to meet existing or impending need).

COST ESTIMATE: The following cost estimate is based on the engineer's preliminary design and has been reviewed by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	PVC Pipe, 200 psi			
	a. 8-inch	14,660 LF	\$14.00	\$205,240
	b. 6-inch	320 LF	12.00	3,840
2.	Fittings & Thrust Blocks	LS	11,000	11,000
3.	Shutoff Valve	8 EA	850	6,800
4.	Fire Hydrant	16 EA	2,000	32,000
5.	Air Release Station	13 EA	800	10,400
6.	Trench Backfill	2,130 CY	7.50	15,975
7.	Service Reconnection	25 EA	400	10,000
8.	Pavement & Driveway Repair	LS	10,000	<u>10,000</u>
Construction Cost				\$305,255
Contingencies				30,745
Legal and Administrative				15,000
Design and Construction Engineering				<u>33,000</u>
TOTAL				\$384,000

COST SHARING & REPAYMENT: The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$326,000	85%
Sponsor	<u>58,000</u>	<u>15</u>
TOTAL	\$384,000	100%

If the board authorizes the project, it is suggested the bonded indebtedness of \$326,000 be repaid in 10 years at 5% interest with approximate annual payments as follows (includes reserves):

<u>Year</u>	<u>Payment</u>
1	\$40,000
2	41,000
3	43,000
4	45,500
5	47,000
6	49,500
7	51,000
8	53,500
9	55,000
10	57,000±

FINANCIAL  
FEASIBILITY:

Based on the board's water service affordability guidelines, Corinne residents could pay up to \$37.32 monthly for all water. The cost of water with the proposed project, based on 253 connections when the first annual payment is due and a 1.7% average annual growth rate, is as follows:

	<u>Annual Cost</u>	<u>Cost/Conn/Mo</u>
Operation & Maintenance	\$14,480-16,852	\$ 4.76
Existing USDA Rural Development Loan (thru 2017)	5,796	1.91-1.64
Existing DWB Loan (thru 2020)	3,639	1.19-1.02
Irrigation Water	6,652-7,741	2.19
Proposed BWRe Loan	<u>40,000-57,000</u>	<u>13.18-16.10</u>
TOTAL	\$70,567-91,028	\$23.23-25.71

Current monthly culinary water rates are \$25.00 for the first 10,000 gallons, \$1.75 per thousand gallons to 15,000 gallons, and \$2.00 per thousand over that. Ditch irrigation water is obtained from the Bear River Canal Company through city shares and costs users \$35 annually.

BENEFITS:

The project will enhance flows, pressures, and fire protection in deficient areas, eliminate health hazards of lead joints, and provide for growth.

PROJECT  
SPONSOR:

Corinne City was incorporated in 1870 and has experienced an average annual growth of 1.2% in culinary water connections since the mid-1970s. The state Office of Planning and Budget projects the city population, presently about 620, will increase an average of 1.7% annually through 2030.

Corinne has had two previous projects with the board. It received \$100,000 in 1977 to help drill a culinary well and build a tank; that 0% interest loan is paid off. The city received \$76,000 in 1990 for a well, pump house, and power line project; that 5% interest loan is paid off.

WATER RIGHTS  
& SUPPLY:

The city's culinary water rights are:

<u>WRNUM</u>	<u>Source</u>	<u>Flow (cfs)</u>
29-2044	Well	0.540
29-3702	Well	0.460
29-1146	Unnamed Spring	0.197
29-985	Unnamed Spring	0.100
29-986	Unnamed Spring	0.100

The city's 200 shares of Bear River Canal Company stock represent 25 hours of water weekly divided between various ditches. Corinne reports irrigation water is "tight", and it cannot acquire additional shares.

EASEMENTS:

No easement problems are expected.

ENVIRONMENTAL:

No harmful environmental impact is expected.

WATER  
CONSERVATION:

The use of ditch irrigation water by 75% of the city's culinary connectors reduces the amount of culinary water used. The city recently raised culinary water rates.

As conditions of project funding, the city will be required to submit a Water Management and Conservation Plan to the division for review and approval, and adopt an ordinance prohibiting pressurized irrigation of landscapes between the hours of 10:00 a.m. and 6:00 p.m.

SPONSOR'S  
RESPONSIBILITIES:

The city will be required to make all arrangements to sell the board a water revenue bond as well as verify it has adequate water rights and rights-of-way to construct the project. If the project is authorized, a list of requirements and procedures necessary to close the loan will be furnished to the city.

PROJECT  
CONTACT  
PEOPLE:

Mayor:

DeVerle Wells  
Box 238  
Corinne, UT 84307  
Phone: (435) 720-0279

City Planner:

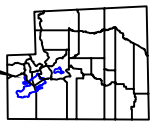
Don Miller  
Box 95  
Corinne, UT 84307  
Phone: (435) 744-2227

Engineer:

Hansen & Associates, Inc.  
538 North Main  
Brigham City, UT 84302  
Phone: (435) 723-3491

CORINNE CITY  
Proposed Culinary  
Water System Improvements  
Box Elder County

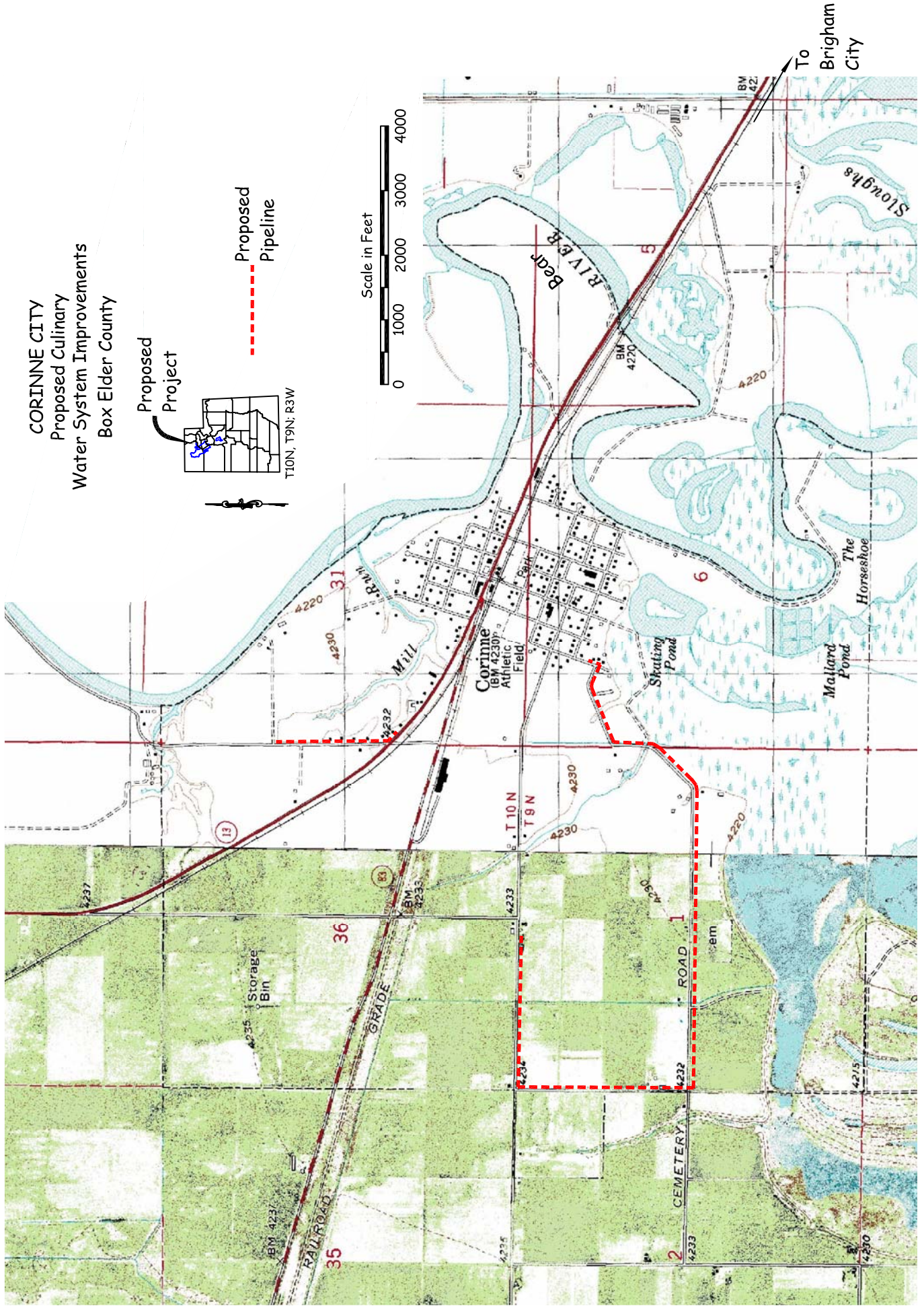
Proposed  
Project



T10N, T9N, R3W



Proposed  
Pipeline



BOARD OF WATER RESOURCES

Special Item

Withdrawal

Conservation and Development Fund

Appl. No.: **E-100**

Received: 12/10/02

Approved: 12/20/02

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: **NEWTON WATER USERS ASSOCIATION**

President: Joseph Larsen  
5397 West 7200 North  
Newton, UT 84327  
Phone: (435) 563-5667

LOCATION: The proposed project is located north of Newton Town, which is about 12 miles northwest of Logan in Cache County.

SUMMARY: The sponsor requested assistance from the board to replace, with five miles of plastic pipeline, a deteriorated concrete-lined irrigation canal carrying water from Newton Reservoir to farmers' fields.

The sponsor's water rights are in the name of the Bureau of Reclamation and can't be transferred to the board as security for financial assistance. The company president says shareholders decided to not pursue using shares of stock as security (many are currently held as collateral by banks), or form a district so a bond could be sold to the board and no water security would be needed.

Because the sponsor is not interested in pursuing the project at this time, staff recommends its application be withdrawn from further consideration.

BOARD OF WATER RESOURCES

Special Item

Feasibility Report & Committal of Funds

Revolving Construction Fund

Appl. No.: **E-182**  
Received: 9/2/05  
Approved: 9/30/05

To be Presented at the October 28, 2005 Board Meeting

SPONSOR: **UTLAND DITCH COMPANY**

President: Alarik F. Myrin

LOCATION: The proposed project is located a mile west of Upalco, about 12 miles northeast of Duchesne in Duchesne County.

EXISTING CONDITIONS & PROBLEMS: The sponsor delivers irrigation water from the Lake Fork River through upper (Purdy) and lower (Utland) ditches to nine shareholders who flood and sprinkle irrigate about 1,300 acres of farmland; conveyance losses through these unlined ditches is estimated to be 720 acre-feet annually. Two major stockholders pump out of the ditches into pressurized irrigation systems with annual operation and maintenance costs of about \$3,000. Ditch O&M costs are an additional \$2,000.

The sponsor has two 8-inch propeller meters that have operated 15 years without problems, and a 12-inch and two 15-inch propeller meters that have operated four years without problems.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to combine both current diversions into the Purdy diversion, replace both ditches with 6.5 miles of transmission pipeline, and install 12 new propeller meters. The pipeline will tie into existing sprinkle irrigation systems. Technical

assistance is being provided by the Natural Resources Conservation Service (NRCS) in Vernal.

The project fits in Prioritization Category 3 (agricultural project that will provide significant economic benefit to area).

COST ESTIMATE: The following cost estimate was prepared by the NRCS and contains revisions by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Diversion Structure	LS	\$70,000	\$ 70,000
2.	Screening Structure	2 EA	20,000	40,000
3.	PVC Pipe			
	a. 21-inch	15,300 LF	30.40	465,120
	b. 18-inch	9,800 LF	22.80	223,440
	c. 15-inch	4,800 LF	17.40	83,520
	d. 12-inch	700 LF	14.20	9,940
	e. 10-inch	1,200 LF	8.50	10,200
	f. 8-inch	2,500 LF	7.20	18,000
	g. 6-inch	100 LF	6.00	600
4.	Rock Excavation	18,290 LF	2.00	36,580
5.	Bedding Material	5,000 CY	8.00	40,000
6.	Road Crossing	70 LF	40.00	2,800
7.	Valves & Fittings	LS	38,200	38,200
8.	Pressure Reg. Sta.	LS	13,200	13,200
9.	Meter	12 EA	1,200	14,400
Construction Cost				\$1,066,000
Contingencies				107,000
Legal, Administrative, and Engineering				27,000
TOTAL				\$1,200,000

COST SHARING & REPAYMENT: The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
NRCS Grant	\$ 750,000	62.5%
Board of Water Resources	270,000	22.5
Sponsor	180,000	15.0
TOTAL	\$1,200,000	100%

If the board authorizes the project, it is suggested it be purchased with annual payments of \$23,400 at 0% interest over approximately 12 years.

*The sponsor requests the project be purchased with annual payments of \$17,000 at 0% interest over approximately 16 years.*

FINANCIAL  
FEASIBILITY:

Benefits from installing the project will be the value of 720 acre-feet of agricultural water annually, plus savings in pump and ditch operation and maintenance costs:

Annual Benefit of Water Savings	\$ 28,500
Annual Reduction of Pumping O&M	3,000
Annual Reduction of Ditch O&M	2,000
Less Estimated Project O&M	<u>-5,900</u>
ANNUAL NET BENEFIT	\$ 27,600

With the proposed board plus grant share of the project being 85%, it is suggested the sponsor's repayment ability be calculated as approximately 85% of the annual benefit, or \$23,400 per year. This is equivalent to about \$18 per acre.

*Company shareholders have authorized an annual share assessment of \$25. They currently pay \$7 to two other water user groups, leaving \$18 for the proposed project. Multiplying that by 936 project shares gives about \$17,000, the sponsor's requested annual payment to the board. That is equivalent to about \$13 per acre.*

PROJECT  
SPONSOR:

The Utland Ditch Company was organized shortly after the area was opened up for settlement in 1905, incorporated in 1913, and is presently registered in good standing with the state Department of Commerce. The company serves nine shareholders irrigating 1,313 acres and holding 936 shares; its share assessment this past year was \$6.00.

The company has not received financial assistance from the board in the past.

WATER RIGHTS  
& SUPPLY:

The sponsor has the following certified water rights on the Lake Fork River:

<u>WRNUM</u>	<u>Flow (cfs)</u>
43-1691	2.00
43-3206	0.59
43-3088	1.71
43-3099	5.26
43-3073	1.20
43-3084	7.11
43-3154	0.15
43-3055	3.80
43-3056	0.74
43-3106	<u>0.83</u>
Total	23.39

EASEMENTS: Pipeline easements will be obtained from four shareholders, and from Duchesne County for road crossings.

ENVIRONMENTAL: Pipeline will be installed along an existing ditch bank, pastureland, and cultivated fields. Some disruption of wildlife habitat will occur.

WATER CONSERVATION: The project will develop approximately 720 acre-feet annually.

SPONSOR'S RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Obtain a stream alteration permit and approval of change in point of diversion from the State Engineer's office.
2. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
3. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:
  - a. Assign properties, easements, and water rights required for the project to the Board of Water Resources.

b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.

4. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.

c. The company has obtained all permits required for the project.

5. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.

b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

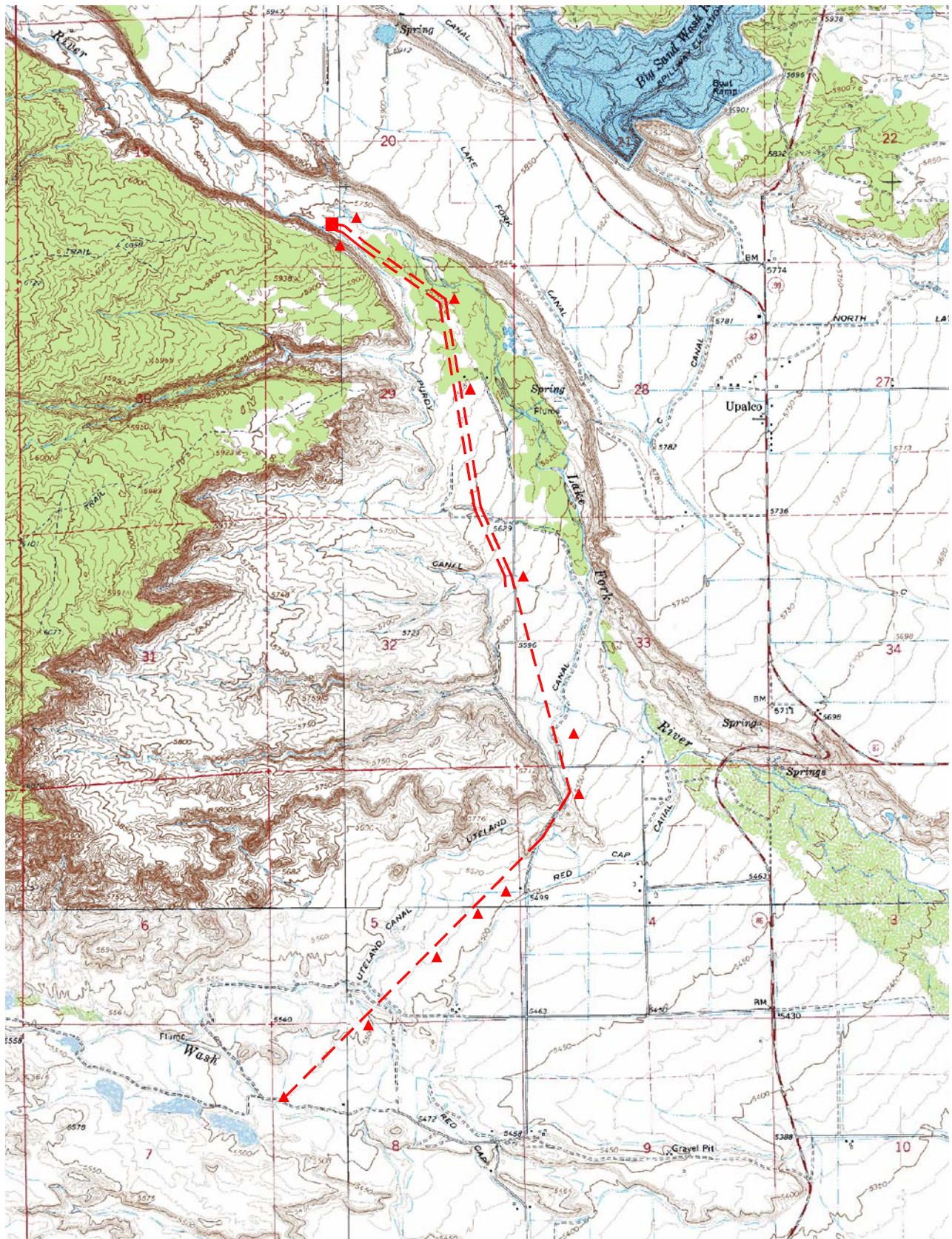
6. Obtain approval of final plans and specifications from the Division of Water Resources and Division of Water Rights.

7. Prepare a water management and conservation plan for its service area, and obtain approval of it from the Division of Water Resources.

8. Obtain an IRS Employer Identification Number.

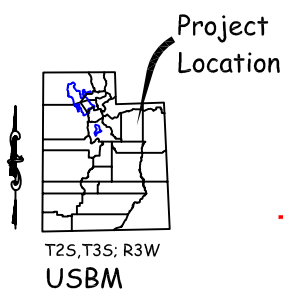
STAFF COMMENTS: The sponsor would like to begin construction of the project as early this fall as possible and is in the process of completing its responsibilities. Staff recommends that, if the board authorizes the project, it also consider committing funds.

PROJECT	President:	Alarik F. Myrin
CONTACT		HC 64 Box 324
PEOPLE:		Duchesne, UT 84021
		Phone: (435) 646-3255
	Secretary:	Jennifer Hansen
		HC 64 Box 278
		Duchesne, UT 84021
		Phone: (435) 646-3110
	Engineer:	N R C S
		80 North 500 West
		Vernal, UT 84078
		Phone: (435) 789-2100



UTLAND DITCH COMPANY  
Proposed Pipeline Project  
Duchesne County

Scale in Feet  
0 3000 6000



- ▲ Proposed Meters
- Proposed Diversion Structure
- - - Proposed Pipeline

BOARD OF WATER RESOURCES

Application Summary

Appl. No. ***E-185***

Received: 9/27/05

SPONSOR: ***FOUNTAIN GREEN IRRIGATION COMPANY***

President: Bob Hansen  
P.O. Box 217  
Fountain Green, UT 84632  
Phone: (435) 445-3541

LOCATION: The proposed project is located near Fountain Green  
in Sanpete County.

PROPOSED PROJECT: The sponsor is requesting assistance to drill and  
equip an irrigation well and tie it into an existing  
pressurized irrigation system. The new well will  
replace three existing, small, inefficient ones.

WATER RIGHTS: In the name of the board.

COST ESTIMATE: \$150,000

BOARD OF WATER RESOURCES

Application Summary

Appl. No. ***E-186***

Received: 9/27/05

SPONSOR: ***FOUNTAIN GREEN IRRIGATION COMPANY***

President: Bob Hansen  
P.O. Box 217  
Fountain Green, UT 84632  
Phone: (435) 445-3541

LOCATION: The proposed project is located near Fountain Green  
in Sanpete County.

PROPOSED PROJECT: The sponsor is requesting assistance in determining  
ways of augmenting flow into an existing pressurized  
irrigation system, then constructing facilities for  
implementation.

WATER RIGHTS: In the name of the board.

COST ESTIMATE: \$100,000

Tour of Eastern Box Elder County  
September 29, 2005

Attendees:

Ivan & Marlene Flint  
Harold & Diane Shirley  
Brad Hancock  
George Harmond, Jr.  
Paul McPherson  
Blair Francis  
John Carman  
Larry Anderson  
Dennis Strong  
Eric Millis  
Steve Wilde  
Todd Adams  
Randy Staker  
Geralee Murdock

Voneene Jorgensen  
Dan Davidson  
Charles Holmgren  
Bill Bigelow

At 8:00 a.m. the Board, staff and others boarded the bus at the Crystal Inn in Brigham City. Charles Holmgren of the Bear River Canal Co. pointed out the southern end the Bear River Canal Co. serves. The bus stopped at the Bear River Canal Co.'s inverted siphon and Charles Holmgren and Dan Davidson explained it and answered the Board's questions. Mr. Holmgren also pointed out all the different types of agriculture (alfalfa, wheat, safflower and corn) along the way.

Dennis Strong talked about the Bear River Development Project. He pointed out the Honeyville site; because of historical and Indian sites that would be covered up by the reservoir, the local land-owners teamed up with the Utah Rivers Council and the site was removed from the Bear River Development Act by the Legislature. At the same time the Honeyville site was eliminated the Barrens site was also removed.

Charles Holmgren pointed out the Washakie Dam Site which is east of Washakie Town and about twelve miles north of Tremonton. The proposed reservoir would be an off-stream facility and water would be diverted from the Bear River through Cutler Reservoir and then piped to the proposed dam site. This is the consensus reservoir site. The Malad River is salty and would be taken outside of the dike at the north end of the reservoir basin.

Larry Anderson said the Water Delivery Financing Task Force Report's Executive Summary and Recommendations were included in the Tour Folder. The Task Force was given the assignment to determine a way to finance the Bear River Development and Lake Powell Pipeline Projects. The Task Force concluded it will be 10-15 years before funds are needed for the Lake Powell Pipeline Project and about 2035 before funds are needed for the Bear River Development Project.

The bus stopped at Portage Town Park for a short break.

Dennis Strong said the Division of Water Resources is working with Weber Basin Water Conservancy District to take water from the Bear River near Elwood (just above the I-15 crossing of the river). A pump facility would be constructed and water pumped into a pipeline that would end at Willard Bay. This will be the first phase of developing the Bear River and will cost about \$70 million. A reservoir would be the next phase of the state's project.

The bus proceeded to the Bothwell Pocket where Voneene Jorgensen, Bear River Water Conservancy District Manager showed the Board the District's principal water source. In the early 1990's the district bought a farm in the Bothwell Pocket with the intent of using the water to supply its member agencies at least until it is able to develop Bear River water. Chanshare is using about 480 acres of the farm to raise sod. She told the history of the district and also explained its future goals. Bill Bigelow, the district's engineer handed the Board a book of maps showing the district's existing and planned facilities. The bus proceeded to a well site where the group watched the driller bail cuttings from the well.

Lunch was provided by the Bear River Water Conservancy District at Maddox Café in Brigham City.

After lunch the group saw the Brigham City Aquifer Storage Recovery Project where Bill Bigelow and Rene Cedillo told about the project. Excess water from the city's springs in Mantua is injected into three of the city's drinking water wells. This has brought groundwater levels up and also significantly reduced the iron content of the well water. The bus then went to the Bear River Migratory Bird Refuge where Al Trout, manager, gave the history and told of the operation of the Refuge and then divided the group in half and instructed his staff to take one group on Air Boats throughout the Refuge while he took the other half along a dike to a lookout point.

About 4: 15 p.m. the group returned to the Crystal Inn.

Board of Water Resources  
Briefing Meeting  
9/29/05 – 4:30 p.m.

Attendees:

Ivan Flint  
Brad Hancock  
John Carman  
Blair Francis  
George Harmond, Jr.  
Harold Shirley  
Paul McPherson

D. Larry Anderson  
Dennis Strong  
Eric Millis  
Steve Wilde  
Todd Adams  
Randy Staker  
Geralee Murdock

Chair Flint welcomed everyone to the meeting.

DISCUSSION OF PROJECTS

Feasibility Report  
#E-173 Cub River Irrigation Company

Steve Wilde said the company would like to improve its irrigation system by installing a pressurized pipeline to serve the area presently served by the Upper Canal. The company is requesting financial assistance to install about nine miles of gravity-pressurized PVC pipeline. Director Anderson said the Board has assisted the company in the past with projects where a majority of the benefits were in Utah. Even though 75% of the company's land is in Utah, nearly that percentage of the proposed project's benefits will be in Idaho.

#E-179 Deseret Irrigation Company

Steve Wilde said this is the fourth phase of an overall project to concrete-line 9,500 feet of the Old Deseret Canal, and pipe 12,000 feet of the South Hinckley Canal; this phase is 4,000 feet of lining. The project will be purchased from the Board in two years at 0% interest; payments will be delayed until the previous phases have been paid off.

### #C-026 San Juan Water Conservancy District

Dennis Strong said the capacity of the new emergency spillway channel is being increased to carry the full flood flows. This modification has increased the total cost of the Recapture Dam upgrade. The district also needs to reimburse UDOT \$350,000 it received but didn't use. It is, therefore, requesting an additional \$780,000 in grant funds.

### #E-088 Gunnison City

Steve Wilde said the Board committed \$477,000 to the city to help make improvements to its pressurized secondary irrigation system. After the original project was completed, the city used "leftover" board funds to replace about 10,000 feet of the Peacock Springs transmission pipeline. The city is requesting additional funds to help it replace the remaining 20,000 feet of Peacock Springs transmission pipeline and requests a ½% interest rate on the funds instead of the staff's recommended 1%. The Board and staff discussed the possibility.

### Other Items

Director Anderson said he would not be able to attend the Board meeting on Friday due to his wife having knee surgery. He discussed the status of the Snake Valley Resolution prepared by Board member Warren Peterson. Director Anderson then said Gayle McKeachnie of the Governor's office suggested the Resolution was premature for the Board to act on at this time because the Governor is still considering his position on the proposal. Warren has indicated he intends to bring the Resolution back before the Board at a later time.

Director Anderson stated in the Board Folder is a letter prepared by the 7-Basin States that was sent to the Bureau of Reclamation (BOR) relating to the EIS that is going to be prepared by the BOR next year. The letter is intended to help the BOR with the scoping process. He also said the 7-Basin States are committed to work on developing alternative conjunctive management strategies and Lower Basin shortage guidelines acceptable to the 7-Basin States for the BOR to consider in the EIS. Director Anderson said he believes this will be difficult since there are many unanswered questions and conflicting positions between the Upper and Lower Basin States.

On September 19<sup>th</sup> the Bureau of Reclamation held a meeting on the adoption of the 2006 Colorado River Annual Operating Plan. The Secretary of the Interior, however, is having a hard time deciding whether or not to hold a Mid-Year Review. The Lower Basin States would prefer it not be held while the Upper Basin States would like the Secretary to hold a Mid-Year Review.

Meeting adjourned at 5:45 p.m.

*Unapproved*  
MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
September 30, 2005

Crystal Inn  
480 Westland Drive  
Brigham City, Utah

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## SUMMARY OF BOARD ACTIONS

1. The Minutes of the August 11, and 12, 2005 Board meetings were approved as prepared. page 1
2. The Board authorized the Cub River Irrigation Company project in the amount of \$680,000 (55% of total project cost) at 0% interest to be returned in approximately 17 years with \$42,000 annual payments. This is contingent upon the remaining \$556,000 (45%) of project costs being contributed by the company and the Idaho Water Resources Board. The \$680,000 amount is all the state of Utah will fund on this project. page 2
3. Funds were committed to the Deseret Irrigation Company in the amount of \$88,000 (80%) to be returned in two years at 0% interest with annual payments of \$48,000 in 2009 and approximately \$40,000 in 2010. page 2
4. The San Juan Water Conservancy District contract was amended to grant an additional \$780,000 for the Recapture Dam dam safety upgrade making a total of \$2.8 million granted to the district. page 3
5. The Board provided Gunnison City an additional \$490,000. Gunnison City will repay the new \$953,000 bonded indebtedness in 25 years at 1% interest, beginning in 2006, with payments ranging from approximately \$15,800 to \$56,000. page 4
6. The Logan, Hyde Park, Smithfield Canal Company and Millville City applications were withdrawn from further consideration by the Board. The Santaquin City and West Point City projects were deauthorized and withdrawn from further consideration by the Board. page 4
7. The Board committed up to \$150,000 from the Revolving Construction fund for next years operational cloud seeding program. page 5

## THOSE PRESENT

The Utah BOARD OF WATER RESOURCES met in regular session on Friday, September 30, 2005, at the Crystal Inn, 480 Westland Avenue, Brigham City, Utah. Chair Ivan Flint presided over the 8:30 a.m. meeting.

### BOARD MEMBERS PRESENT:

Ivan Flint  
Brad Hancock  
George Harmond, Jr.  
Harold Shirley  
Paul McPherson  
John Carman  
Blair Francis

### STAFF MEMBERS PRESENT:

Dennis Strong, Deputy Director  
Eric Millis, Asst. Director  
Steve Wilde, Chief, Investigations  
Todd Adams, Chief, Hydrology and Computer Applications  
Randy Staker, Accountant  
Geralee Murdock, Administrative Secretary

### OTHERS PRESENT:

Gale C. Moser, President, Cub River Irrigation Company  
Regan Wheeler, CEO, Cub River Irrigation Company  
Max Gilbert, Secretary, Cub River Irrigation Company  
Eric Franson, Franson Noble Engineering  
  
Scott Hermansen, Mayor, Gunnison City  
Rodney Taylor, Councilman, Gunnison City  
Steven Buchanan, Councilman, Gunnison City  
Jay Franson, Franson Noble Engineering

MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
September 30, 2005

Chair Flint welcomed everyone to the meeting.

APPROVAL OF THE MINUTES

Brad Hancock made the motion to approve the minutes of the August 11 and 12, 2005 meetings. Paul McPherson seconded the motion and the Board agreed unanimously.

CHAIR'S REPORT

Chair Flint thanked Eric Millis and Board Member Blair Francis for the excellent tour they arranged on Thursday. He also expressed appreciation to the Bear River Canal Company and Bear River Water Conservancy District for their efforts regarding the tour and the lunch at Maddox Restaurant. He also said Frank Nishiguchi, who recently passed away, was the manager of the Bear River Water Conservancy District for many years and said he worked hard and accomplished a lot while district manager.

Chair Flint said Blair Francis would like to express, in behalf of the Woodruff Narrows Reservoir Company, appreciation for the Board and Division of Water Resources for their financial help as it has made its final payment. He read a letter from Sim Weston, president of the Woodruff Narrows Reservoir Co. expressing those same sentiments.

FEASIBILITY REPORT

#E-173 Cub River Irrigation Company

Chair Flint introduced Gale Moser, president; Regan Wheeler, CEO; Max Gilbert, Secretary and Jay Franson and Eric Franson, engineers. Steve Wilde reported the company diverts water from the Cub River about four miles east of Whitney, Idaho and transmits it westward in the Cub Canal and the Middle Ditch which combine before splitting into the Upper and Lower Canals. The Upper Canal provides water for southern portions of Idaho before flowing into the East Canal which carries water into Cache Valley. About 75% of the 27,000 acres the company provides water for are in Utah. The company would like to improve its system by installing a pressurized pipeline to serve the area presently served by the Upper Canal.

The company is requesting financial assistance to install about nine miles of gravity-pressurized PVC pipeline. The total estimated cost of the project is \$1.236 million. Franson and Noble Engineering will provide technical assistance.

Staff suggests the Board provide 23.5% of the project costs or \$290,000 (90% “high” Board cost sharing percentage x 26% of project benefits in Utah x \$1.236 million). The irrigation company requests the Board provide 60% of the project costs or \$742,000 (80% “average” Board cost sharing percentage x 75% of company land in Utah x \$1.236 million).

Cub River Irrigation Company has received financial assistance from the Board on six previous occasions. Five of the projects are paid off. The last one will be paid off in 2007. The Board presently holds title to the irrigation company’s water rights, which are on the Cub and Bear Rivers with the filings listed in Idaho.

After discussion regarding the amount of land and benefits that accrue to Utah, Brad Hancock asked if the funding being requested from the Idaho Water Resources Board was firm. Gale Moser said it has tentatively been approved; the details have to be worked out. The company will be able to receive no more than \$500,000 per year, at 5% interest and 20-year repayment period, from Idaho. Mr. Moser said if the Board would provide more than the staff’s recommended \$290,000 it would help the company’s financial status a lot. The company would also like to see the staff recommended 17-year repayment period extended.

Blair Francis made the motion to authorize the Cub River Irrigation Company project in the amount of \$680,000 (55% of total project cost) at 0% interest to be returned in approximately 17 years with \$42,000 annual payments. This is contingent upon the remaining \$556,000 (45%) of project costs being contributed by the company and the Idaho Water Resources Board. The \$680,000 amount is all the State of Utah will fund on this project. George Harmond, Jr. seconded the motion and the Board unanimously agreed.

## COMMITTAL OF FUNDS

### #E-179 Deseret Irrigation Company

Steve Wilde reported that, four years ago, the Board authorized the company’s \$900,000, multi-phase project to pipe approximately 12,000 feet of the South Hinckley Canal, and concrete-line approximately 9,500 feet of the Old Deseret Canal. To date, nearly two miles of canal have been piped and 3,200 feet lined. The company is ready to proceed with Phase IV, concrete-lining the next 4,000 feet of the Old Deseret Canal.

Harold Shirley made the motion to commit funds to the Deseret Irrigation Company in the amount of \$88,000 (80%) to be returned in two years at 0% interest with annual payments of \$48,000 in 2009 and approximately \$40,000 in 2010. Paul McPherson seconded the motion and the Board agreed unanimously.

## DAM SAFETY CONSTRUCTION FUNDING

### #C-026 San Juan Water Conservancy District

Dennis Strong reported the district has completed the first phase of the Recapture Dam safety upgrade by constructing a stability berm at its downstream toe. and is currently moving toward the last portion of the upgrade: replacement of the emergency spillway, which was removed as part of the berm construction. It was initially anticipated a second spillway (not part of the committed project) would be constructed over the cost of the dam to carry flows that the replaced emergency spillway wouldn't. It has since been decided to increase the capacity of the emergency spillway channel to carry all flood flows making the additional spillway unnecessary; this modification increased the total cost of the Recapture Dam upgrade. An agreement had been made with UDOT to bring materials in to build the berm. The district had to pay UDOT \$350,000 to move the material; this also added to the increased cost. The district therefore requests \$780,000 additional grant funds to cover the additional costs.

George Harmond, Jr. made the motion to amend the San Juan Water Conservancy District contract to grant an additional \$780,000 for the Recapture Dam dam safety upgrade making a total of \$2.8 million granted to the district. Blair Francis seconded the motion and it was unanimously agreed upon by the Board.

## SPECIAL ITEMS

### #E-088 Gunnison City

Chair Flint introduced Scott Hermansen, mayor; Rodney Taylor, councilman; Steven Buchanan, councilman; and Jay Franson, engineer. Steve Wilde reported the Board committed \$477,000 to the city to help make improvements to its pressurized secondary irrigation system. After the original project was completed, the city used "leftover" Board funds to replace about 10,000 feet of the Peacock Springs transmission pipeline, which serves water to both the city's culinary water and secondary irrigation systems.

The remaining 20,000 feet of Peacock Springs pipeline that was not replaced is a maintenance problem for the city, therefore the city is requesting additional funds to replace it. The additional cost would be \$612,000. The city requests the Board provide 80%, or \$490,000, making a new bonded indebtedness of \$953,000 (\$14,000 in principal has been paid on the existing bond). Staff is recommending it be repaid in 25 years at 1% interest. The city is requesting it be repaid in 25 years at ½% interest. The Board discussed the request of ½% interest, and decided it would not be prudent to go below 1%.

Mr. Buchanan said if you touch the Peacock Springs pipe, it breaks, and the city hoped it could pay for the replacement of it; all additional funds have gone into maintenance and repair, however. Mr. Franson said although the city had budgeted \$60,000 a year to replace the pipe as it went along, it is spending \$30,000 to \$40,000 to replace one little piece; it never gets ahead. At this point the city feels it needs to request additional funds to replace the entire 20,000 feet.

Brad Hancock said the city would probably need a new bond as opposed to an amended one. Mr. Franson said the city's bond attorney would be meeting with them next week to prepare one. Brad Hancock made the motion to provide Gunnison City an additional \$490,000, and to state the city will repay the new, \$953,000 bonded indebtedness in 25 years at 1% interest, beginning in 2006, with payments ranging from approximately \$15,800 to \$56,000. George Harmond Jr. seconded the motion and the Board unanimously agreed.

#### #E-096 Logan, Hyde Park, Smithfield Canal Company

The company requested assistance to replace about two miles of irrigation canal with pipeline. Because stockholders are no longer interested in constructing the project because of cost and unavailability of grant funds, staff recommends the company's application be withdrawn.

#### #E-147 Santaquin City

The Board authorized \$1 million (9.6%) to the city as part of an interest-rate buydown for construction of a pressurized secondary irrigation system. The Community Impact Board voted to fund the project, therefore staff recommends the project be deauthorized and withdrawn from further consideration by the Board.

#### #L-546 West Point City

The Board authorized \$410,000 (25%) to the city to help it improve its culinary water system by constructing a two million gallon concrete storage tank with booster pumping station and installing a pipeline to connect it to the existing system. The city completed the project with its own resources and does not need Board funding so staff recommends the city's application be deauthorized and withdrawn from further consideration.

#### #L-548 Millville City

Millville City requested assistance from the Board to improve its culinary water system by constructing a storage tank and installing distribution pipelines, pressure regulating stations, and a pumping station. According to the Board's guidelines, the city could repay a Board loan at 5% interest. The city pursued an open market loan at 4.52% interest instead, so staff recommends its application be withdrawn from further consideration.

Paul McPherson made the motion to withdraw the Logan, Hyde Park, Smithfield Canal Co., and Millville City applications from further consideration by the Board. plus deauthorize and withdraw the Santaquin City and West Point City projects. John Carman seconded the motion and the Board agreed unanimously.

## COMMITTAL OF CLOUD SEEDING FUNDS

Eric Millis said staff is recommending the Board commit \$150,000 out of the Revolving Construction Fund for next year's operational cloud seeding project. He said in 1976 the Board began to cost-share with local sponsors for cloud seeding projects with money from the Revolving Construction Fund. In 1989 the Legislature authorized the Board to cost-share with local sponsors for 50% of the construction project costs up to \$150,000. Last year in January the program was suspended in the Washington County, Upper Sevier River and Uinta Basin areas because of potential flooding. As a result, the cost of last years program was less than it had originally been estimated and remaining Board funds lapsed back to the Revolving Construction Fund.

Harold Shirley made the motion the Board commit up to \$150,000 from the Revolving Construction Fund for next year's operational cloud seeding project. John Carman seconded the motion and it was unanimously agreed upon by the Board.

## DIRECTOR'S REPORT

Dennis Strong, Deputy Director, stated that due to the length of repayment agreements the Division/Board do not see many projects turned back to its company. It is good to see the system work and to have the water right and project property returned to the Woodruff Narrows Reservoir Co. It is also refreshing to hear accolades to the Board and staff about the good you do.

Mr. Strong stated staff hopes the Board enjoys taking trips through different areas of the state so they can see some of the projects the Board is involved with. He said the tour on Thursday was a good tour and even though we had seen some of it before it reminds everyone there is still a lot to be done.

Chairman Flint expressed appreciation to the Board and to the staff. He said he appreciates visiting the different areas of the state to see what is happening. There is many things we can take a second look at and get involved with.

## NEXT BOARD MEETING

The next Board meetings will be held October 28, 2005 with a Briefing Meeting in the morning and a Board meeting in the afternoon.

Meeting adjourned at 9:35 a.m.

Tour of Red Butte Dam  
8/11/05 1:00 p.m.

Ivan Flint  
Harold Shirley  
George Harmond, Jr.  
Blair Francis  
John Carman  
Warren Peterson  
Larry Anderson  
Dennis Strong  
Eric Millis  
Steve Wilde  
Randy Staker  
Lee Sporleder  
Boyd Phillips  
Geralee Murdock

David Pitcher – Central Utah Water Conservancy District  
Ivan Djambov

Lee Sporleder of Water Resources and Dave Pitcher of the Central Utah Water Conservancy District (district) were at the dam to show and tell about the dam reconstruction.

Dave Pitcher said the district must have a growing place for the endangered June Sucker as part of the Utah Lake System project. Although the June Sucker is native to Utah Lake, the Division of Wildlife Resources put some in the Red Butte Reservoir and found they reproduced there more than any other place. The dam was built to provide water for Fort Douglas. When the fort was decommissioned the Army tried to find someone to take over the responsibility for the dam. Because June Suckers had been placed in the Red Butte Reservoir, and were doing well, it was decided the district would take ownership.

The dam did not meet current dam safety standards and as a condition of the district taking the dam the Army agreed to give the district over \$5 million to bring the dam into compliance. The dam has and will continue to provide flood routing of the stream which is a benefit to downstream homeowners.

Lee Sporleder assisted by Boyd Phillips showed an overview of the dam and drawings portraying how the dam was originally constructed and explained what was being done to bring the dam up to dam safety standards. He said Gerber Construction out of Lehi received the contract for the reconstruction.

The group then went and saw the diversion dam and gaging station and stopped and looked in the tunnel. They then returned to the Red Butte Gardens building for a Briefing Meeting.

*Approved*  
BOARD OF WATER RESOURCES  
BRIEFING MEETING  
August 11, 2005

Red Butte Gardens  
400 Wakara Way  
Salt Lake City, Utah

BOARD OF WATER RESOURCES  
BRIEFING MEETING  
8/11/05 2:30 p.m.  
Red Butte Gardens

Attendees:

Ivan Flint  
Warren Peterson  
George Harmond, Jr.  
Blair Francis  
John Carman  
Harold Shirley

D. Larry Anderson  
Dennis Strong  
Eric Millis  
Steve Wilde  
Randy Staker  
Geralee Murdock

Chair Flint welcomed everyone to the meeting and expressed appreciation for the retreat held in the morning and for the tour of Red Butte Dam.

DISCUSSION OF PROJECTS

Feasibility Report  
Town of Mantua

Blair Francis said he went with Dan Aubrey and met with the mayor and city council. Mantua has problems with the existing system. During high run off, sediment comes and it forces the system to rely on its well. The well has sanding problems towards the latter part of the year. Brigham City has helped them out in the past, however Mantua needs to drill a new well to solve its problem. At the present time, the town has a building moratorium because of this situation.

Committal of Funds  
St. George and Washington Canal Co.

Steve Wilde said the request for funds for the St. George and Washington Canal Co. are for Phase II. Larry Anderson said the company is hoping to get additional federal dollars to help with the repayment.

Bryner-Ploutz Ditch Co.

George Harmond, Jr. said the company has its internal problems ironed out and is ready for committal of funds.

Centerfield Town

Warren Peterson said there are some citizens who feel the project is more than the town needs at this time and they could possibly be coming to the Board meeting to express their concerns. Mr. Peterson also said these citizens do not understand the change in Drinking Water requirements for fireflows. Steve Wilde said this group of citizens came and met with staff and were very appreciative that someone listened to them. Mr. Peterson said the town will be tying into Mayfield's system, and will need an interlocal agreement.

Resolution

Warren Peterson passed out a copy of a Resolution he had prepared regarding the Southern Nevada Water Authority's proposal to drill wells and pipe water to Las Vegas from the Snake Valley area in Utah. After discussion, Director Anderson said it couldn't be presented at Friday's Board meeting; the Resolution needs to be put on the Agenda for the September Board meeting before it could be adopted.

Meeting adjourned at 3:45 p.m.

*Approved*  
MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
August 12, 2005

Department of Natural Resources Building  
1594 West North Temple  
Salt Lake City, Utah

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## SUMMARY OF BOARD ACTIONS

1. The Minutes of the June 9 and 10, 2005 Board meetings were approved as prepared. page 1
2. The Board committed funds to Phase I and II of the St. George and Washington Canal Co. project in the amount of \$6.6 million (75%) to be returned in 30 years at 1% interest the first fifteen years, 2% interest the next eight, and 3% interest the last seven. Annual payments are to start at \$120,000 and increase up to 54% each year to a final payment of about \$550,000. page 1
3. Funds were committed to the Bryner-Ploutz Ditch Co. in the amount of \$116,000 (71%) to be returned with annual payments of \$4,700 at 0% interest over approximately 25 years. page 2
4. The Board committed funds to Centerfield Town in the amount of \$255,000 (10%) to be repaid in 25 years at 1% interest with annual payments ranging from approximately \$4,600 to \$24,200. page 2
5. The Town of Mantua project was authorized in the amount of \$508,000 (90%) to be repaid in 20 years at 4% interest. page 3
6. The City of South Jordan's application was withdrawn from further consideration by the Board. page 3

## THOSE PRESENT

The Utah BOARD OF WATER RESOURCES met in regular session on Friday, August 12, 2005, at the Department of Natural Resources Auditorium, 1594 West North Temple, Salt Lake City, Utah. Chair Ivan Flint presided over the 8:30 a.m. meeting.

### BOARD MEMBERS PRESENT:

Ivan Flint, Chair  
Warren Peterson  
George Harmond, Jr.  
Paul McPherson  
John R. Carman  
Blair Francis  
Harold Shirley

### STAFF MEMBERS PRESENT:

D. Larry Anderson, Director  
Dennis Strong, Deputy Director  
Eric Millis, Asst. Director  
Steve Wilde, Chief, Investigations  
Randy Staker, Accountant  
Dan Aubrey, Chief Geologist  
Tom Cox, Engineer  
Shalaine DeBernardi, Engineer  
Russell Hadley, Engineer  
Val Anderson, Engineer  
Geralee Murdock, Administrative Secretary

### OTHERS PRESENT:

Robin Thomas, Department of Natural Resources Public Affairs

Jeff Morby, President, St. George and Washington Canal Co.

Darwin Jensen, Mayor, Centerfield City  
Gwen Jensen, Centerfield City

Don Wallentine, Councilman, Town of Mantua  
Richard Jeppsen, Councilmember, Town of Mantua  
Harper Johnson, Public Works, Town of Mantua

MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
August 12, 2005

Chair Ivan Flint welcomed everyone to the meeting.

APPROVAL OF THE MINUTES

Harold Shirley made the motion, seconded by Paul McPherson to approve the minutes of the June 9 and 10 Board meetings as prepared. The Board agreed unanimously.

CHAIR'S REPORT

Mr. Flint expressed appreciation for the tour of the Red Butte Dam and for the retreat held at Red Butte Gardens on Thursday morning. He said it was always good to get a review of the Board's policies and guidelines.

COMMITTAL OF FUNDS

#E-129 St. George and Washington Canal Co.

Chair Flint introduced Jeff Morby. Tom Cox reported the Board authorized a multi-phase project to replace the nearly ten-mile long concrete-lined St. George and Washington Canal with a pipeline. The first 4,800 feet (Phase I) was installed with funds obtained by the company. It is now ready to proceed with Phase II, which is about 5 ½ miles of HDPE pipe and is requesting funds (\$6.6 million) from the Board to help pay for Phases I and II. It hopes to install the pipeline this upcoming construction season.

The \$2.2 million sponsor cost sharing includes a \$1.3 million federal grant for Phase I; the company hopes to receive additional federal grant funds.

Jeff Morby said Ron Thompson was unable to attend the meeting and expressed appreciation to the Board for its consideration. Mr. Morby explained Phase I of the project and what the company hopes to achieve when both phases are constructed. Director Anderson said he and Dennis Strong had visited the area and said the diversion structure is very impressive. He recommended the Board visit the site when it goes to the Water Users Workshop in St. George in March.

Harold Shirley made the motion to commit funds to Phase I and II of the St. George and Washington Canal Co. project in the amount of \$6.6 million (75%) to be returned in 30 years at 1% interest the first fifteen years, 2% interest the next eight, and 3% interest the last seven. Annual payments are to start at \$120,000 and increase up to 5.4% each year to a final payment of

about \$550,000. George Harmond, Jr. seconded the motion and it was unanimously agreed upon by the Board.

#### #E-164 Bryner-Ploutz Ditch Co.

Russell Hadley reported the company is requesting financial assistance to construct a pumped pressurized irrigation system to serve 67 agricultural acres. George Harmond, Jr. made the motion to commit funds to the Bryner-Ploutz Ditch Co. in the amount of \$116,000 (71%) to be returned with annual payments of \$4,700 at 0% interest over approximately 25 years. Paul McPherson seconded the motion and the Board unanimously agreed.

#### #L-547 Centerfield Town

Chair Flint introduced Mayor Darwin Jensen and Gwen Jensen. Dan Aubrey reported the Board reauthorized a project for Centerfield Town to improve its culinary water system by constructing a 500,000 gallon storage tank and installing a booster pumping station, seven miles of distribution pipeline, 32 fire hydrants, and 70 service connections. Warren Peterson expressed concerns of some of the residents as to where the well is being drilled. Mayor Jensen said it is being drilled where the geologists and hydrologists recommend would be the best area.

Warren Peterson made the motion to commit funds to Centerfield Town in the amount of \$255,000 (10%) to be repaid in 25 years at 1% interest with annual payments ranging from approximately \$4,600 to \$24,200. John Carman seconded the motion and the Board unanimously agreed.

### FEASIBILITY REPORT

#### #L-553 Town of Mantua

Chair Flint introduced Harper Johnson, Richard Jepps, Don Wallentine and Chris Wight. Dan Aubrey reported Mantua currently supplies culinary water to 226 residential, 7 commercial and 3 other connections. The culinary system is supplied by springs and a current well, and an emergency connection to one of Brigham City's springs. The town's spring flow is highly variable, plus during high runoff the spring water contains considerable suspended sediment, forcing the town to turn that source out of the system and rely on its well; the well is pumped to less than its full right due to sanding problems. The town's dependence on unreliable springs and a single well has made it necessary to implement a building moratorium.

Mantua is requesting financial assistance to drill and equip a second culinary well, construct a pump house and install pipeline to connect the new well to the system. Technical assistance is being provided by Hansen and Associates in Brigham City. The total estimated cost of the project is \$565,000.

Based on the Board's water service affordability guidelines, Mantua water users could pay up to \$45.64 monthly for all water. With the proposed project in place the cost per connection per month will be about \$42. The project will provide Mantua an additional dependable water source that will allow it access to flows equal to its rights, and also allow it to lift the building moratorium.

Richard Jeppsen said the town appreciates the Board's consideration. He said revenues for the community are pretty much property taxes. He said about 35-37% of the people in the community are retired and/or single parents, and hoped the Board would consider a lower interest rate than staff's proposed 5%.

After discussion, Blair Francis made the motion to authorize the Town of Mantua project in the amount of \$508,000 (90%), to be repaid in 20 years at 4% interest. Warren Peterson seconded the motion and the Board unanimously agreed.

## SPECIAL ITEMS

### #E-034 City of South Jordan

The City of South Jordan requested assistance from the Board to install a city-wide pressurized irrigation system. Because federal funds it also applied for were unobtainable in the amount needed to make the project feasible, the city requests its application be withdrawn.

John Carman made the motion to withdraw the City of South Jordan application from further consideration by the Board. Paul McPherson seconded the motion and it was unanimously agreed upon by the Board.

## DIRECTOR'S REPORT

Director Anderson handed out a memo and a copy of the Department of Interior's public notice requesting comments on the Southern Nevada Water Authority's (SNWA) proposal to pipe Virgin/Muddy Rivers water to Las Vegas. The SNWA has acquired water rights on both the Muddy and Virgin Rivers they want to develop. Colorado, Wyoming and New Mexico commented on the proposal questioning Nevada's right to develop tributary water in excess of their Compact allocation. Utah declined to comment. Utah has been developing the Virgin River and we believe Nevada has the right to develop its tributaries to the Colorado River just as we do.

A copy of a proposal made by Living Rivers called "One Dam Solution" was included in the Board folder. The Living Rivers' proposal is to remove Lake Powell and have Lake Mead serve as the only major storage reservoir on the Colorado River. Mr. Anderson thought the Board may want to read the Living Rivers' report.

Mr. Anderson also referred the Board to a public notice and a hearing held by the Bureau of Reclamation (BOR) on developing shortage guidelines and coordinated release guidelines for Lake Powell and Lake Mead. A copy of the 7-Basin States' statement read in a hearing in Utah and in Las Vegas is included in the Board folder. He said the Colorado River Seven Basin States have held several meetings in an effort to develop a 7-state consensus alternative for the BOR to consider in their upcoming EIS. A meeting will be held in San Diego at the end of the month to hopefully finalize a joint 7-state letter to send to the BOR indicating the states are working together to try and develop an alternative for the BOR to evaluate as part of the EIS process.

#### NEXT BOARD MEETING

The next meetings of the Board will be a tour of the Brigham City area on September 29 with a Board meeting the morning of September 30.

Meeting adjourned at 9:55 a.m.